

FISCAL NOTE

Bill #: HB0466

Title: Establish state park-fishing access maintenance fund

Primary Sponsor: Clark, P

Status: As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
Expenditures:		
General Fund	(\$229,887)	\$0
State Special Revenue	(\$7,110,763)	\$0
Revenue:		
General Fund	(\$229,887)	\$0
State Special Revenue	(\$7,411,208)	\$534,877
Other (Trust Fund)	\$7,641,095	\$0
Net Impact on General Fund Balance:	\$0	\$0

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|---|---|
| <input type="checkbox"/> Significant Local Gov. Impact | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input checked="" type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

1. Unless otherwise specified, the FY 2004 requested budgets are the benchmark for preparing this fiscal note.
2. State park earned revenue and fishing access site (FAS) earned revenue will be reduced by 20 percent each year of the biennium to fund the trust.
3. Park revenues and fishing access site revenues will continue at the same level as those collected in FY 2002.
4. All operations and maintenance appropriations in both HB 2 and HB 5 will be redirected to the trust.
5. The FY 2002 total revenues for state parks were \$1,463,793 and fishing access sites was \$38,432 totaling \$1,502,225. Revenues lost to state park and fishing access sites = \$1,502,225 x .20= \$300,445 annually.
6. Fishing access site funding from HB 5 in the amount of \$275,000 for operations and maintenance and \$400,000 for site protection will be redirected to the trust for a total of \$675,000.
7. Fishing access site funding in HB 2 in the amount of \$1,177,957 will be redirected to the trust, as it is 100 percent operations and maintenance.
8. Ninety percent of all state parks appropriations and statutory appropriations are operations and maintenance oriented (as referenced in new section (2)(b)) and the other 10 percent are for educational and interpretive

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purposes. The bill would require 90 percent of state parks funding in HB 2 in the amount of \$4,597,437 to be redirected to the trust. Of the amount identified in this assumption, \$255,430 is general fund.

(\$4,597,437 x 90 percent = \$4,137,693)

9. Total staff for the FAS and State Parks programs is 94.32 FTE current level plus 11.04 FTE statutory for 105.36 FTE.
10. HB 5 parks operations and maintenance in the amount of \$1,350,000 will be redirected to the trust from the following funding sources: Highway fuel tax (\$800,000), boat-in-lieu (\$450,000), general license account (\$50,000), and land trust (\$50,000).
11. No interest would be earned in the first year of the biennium.
12. Interest earned from this account would be at a rate of seven percent annually beginning in FY 2005. This would total \$7,641,095 x 7 percent = \$534,877 and be added to state special revenues in FY 2005.
13. One hundred percent of the park and FAS programs would be deleted in FY 2004 except the trails and capitol grounds programs. This means \$0 would be appropriated in FY 2004 and 100 percent of FY 2005 appropriations would be authorized and spent.

FISCAL IMPACT:

	FY 2004 <u>Difference</u>	FY 2005 <u>Difference</u>
FTE	(105.36)	0.00

Expenditures:

Personal Services	(\$3,697,805)	\$0
Operating Expenses	(\$1,541,845)	\$0
Equipment	(\$76,000)	\$0
Capital	(\$2,025,000)	\$0
TOTAL	(\$7,340,650)	\$0

Funding of Expenditures:

General Fund (01)	(\$229,887)	\$0
State Special Revenue (02)	(\$7,110,763)	\$0
TOTAL	(\$7,340,650)	\$0

Revenues:

General Fund (01)	\$0	\$0
State Special Revenue (02)	\$0	\$534,877
Other (Trust Fund)	\$7,641,095	\$0

Net Impact to Fund Balance (Revenue minus Funding of Expenditures):

State Special Revenue (02)	(\$300,445)	\$534,877
Other (Trust Fund)	\$7,641,095	\$0

TECHNICAL NOTES:

1. New section (2)(b) is written to direct all appropriations made for maintenance activities in HB 2 and 5 to the trust fund principal. That assumption drove this fiscal note.
2. Redirection of general license account monies generated from angler license dollars and user fees generated at fishing access sites may jeopardize federal funds for the entire state of Montana.

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3. Redirection of general license account dollars and statutorily appropriated funds may require individual separate trust funds where legal issues may arise.
4. This bill would shut down all state parks and fishing access sites in the first year, because all appropriations would be directed to the fund.